

Retirement Benefits from the State Health Benefit Plan

January 1– December 2011



Presented by State Health Benefit Plan

DCH Mission

ACCESS



Access
to affordable,
quality health
care in our
communities

RESPONSIBLE



Responsible
health planning
and use of
health care
resources

HEALTHY



Healthy
behaviors and
improved
health
outcomes



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COMMUNITY HEALTH

DCH Initiatives FY 2011

FY 2011

**Continuity of Operations
Preparedness**

Customer Service

Emergency Preparedness

Financial & Program Integrity

Health Care Consumerism

Health Improvement

Health Care Transformation

Public Health

Workforce Development



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State Health Benefit Plan Overview

- When You Retire
- State Health Benefit Plan (SHBP) Options
- Changing Options
- Qualifying Events
- Surviving Spouses
- Medicare Information
- Important Reminders
- Contact Information
- Information on the web



When You Retire

- You may continue coverage at retirement if:
 - You are receiving a monthly benefit from a Georgia-sponsored retirement system; and
 - You and your dependents are enrolled at the time of your retirement
 - You must have continuous coverage from active to retiree status
- You do not need to complete a paper form if you are covered under ERS, TRS or PSERS (others will need to complete Retiree/Surviving Spouse form)
- **NOTE: You cannot continue your health insurance if you take a lump sum distribution from a Georgia-sponsored retirement and will not receive a monthly retirement benefit**



When You Retire (under age 65)

- Your options and premiums are the same as active employees
- Cigna and UnitedHealthcare both offer members:
 - High Deductible Health Plan (HDHP)
 - Health Reimbursement Arrangement (HRA)
 - Health Maintenance Organization (HMO)



When You Retire

Under 65

You will be enrolled in your current coverage and your options and rates will be the same as active employees

65 or Older

You will be enrolled in the Medicare Advantage Standard PPO Plan with your current vendor if you/your spouse have submitted your Medicare Part B information to SHBP or

You will be enrolled in your current coverage and your premium will increase to the unsubsidized rate if you have not submitted your Medicare information to SHBP



Changing Options

- Once set-up as a retiree, you have the opportunity to change options:
 - Within 31 days from the date on your retirement letter
 - You or a covered dependent become eligible for Medicare (age 65 or disabled)
 - If the retirement benefit does not cover the premium
 - During the annual Retiree Option Change Period (ROCP), which is held each fall and corresponds with the annual Open Enrollment (OE) period for active members
(You can only change options during ROCP)



Changing Options Mid-Year

- You change options or vendors
 - Deductibles and out-of-pocket accumulations will not transfer
- You change from HDHP or HMO to HRA
 - HRA credits will be prorated based on months remaining but the deductible and out-of-pocket won't
- You move from HRA to SHBP MA PPO
 - Unused HRA credits will be held to use for co-payments and co-insurance



Qualifying Events for Enrolled Retirees

Making changes to your health insurance

- Marriage
- Spouse loses eligibility for coverage
- Acquisition or death of a dependent
- Divorce



You have 31 days before or after a qualifying event to notify SHBP



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Changes without a Qualifying Event

- You may decrease your tier or change to “you only” coverage at any time
- You may discontinue SHBP at anytime (*but you will not be able to get the coverage back unless you return to work in a SHBP benefit eligible position*)
- If you and your spouse are retired, covered by SHBP and are both drawing a monthly retirement benefit from a Georgia-sponsored retirement system, you may change from you + family coverage to each having “you only” coverage at any time (the request for you and your spouse must be filed at the same time)



Surviving Spouses-Continuing Coverage

If your surviving spouse or eligible child will receive an annuity:

- Apply within 90 days of retiree's death
- Current coverage can continue
- Premiums are deducted from annuity
- Surviving spouse or eligible child cannot cover new spouse



Surviving Spouses-Continuing Coverage

If your surviving spouse **will not** receive an annuity:

- Coverage can continue if married at least 1 year
- Apply within 90 days of retiree's death
- Premium paid directly to Plan
- Coverage ends for everyone on the contract if spouse remarries

Note: if your surviving child does not receive an annuity and there is no surviving spouse, the child may continue coverage for 36 months through COBRA provisions



Medicare

Medicare is offered to retirees at age 65 or individuals who are disabled under Social Security

- Part A – usually free
provides coverage for hospitalization
- Part B – is means based and the rate will be \$115.40 for most retirees (may be higher for those with higher incomes)
provides coverage for provider services
- Part D approx \$30 (only those not in the MA PPO)
provides coverage for prescription drugs

Medicare

- Enrollment in Medicare Part A is automatic
- You enroll in Medicare Part B by contacting the Social Security Administration
- It is important that you enroll in Part B when you first become eligible (unless you are still working) to avoid possible penalties for enrolling at a later time
- You must be in Part B in order to enroll in one of the SHBP MA PPO Options



Medicare

- SHBP will send you information about your options, premiums and Medicare enrollment 4 months prior to you or your spouse turning 65
- You must submit copies of you Medicare Cards A and B to SHBP prior to you or your spouse turning age 65
- You will be charged the unsubsidized rate until SHBP has received and processed your Medicare information
- The Centers for Medicare and Medicaid (CMS) require a physical street address for enrollment in one of the Medicare Advantage options



Medicare

- Medicare Part B can be purchased even if you have not worked enough quarters to qualify if:
 - you are a U.S. Citizen, reside in the U.S., age 65 or older
 - a legal non-citizen, age 65 or older, who resides and has lived in the U.S. for at least 5 years



SHBP Medicare Policy for Retirees and Spouses over age 65

- May enroll in one of the SHBP Medicare Advantage (MA) Plans
 - **will** continue to receive the state contribution to the cost of their health insurance
- May elect the HMO, HRA or HDHP option through Cigna and UnitedHealthcare
 - **will not** receive the state contribution toward the cost of the premiums. Premiums will increase significantly



Medicare Advantage PPO Plans

Retirees may choose from one of two Medicare Advantage (MA) PPO options:

- Humana Group Medicare Advantage PPO Standard
- Humana Group Medicare Advantage PPO Premium
- UnitedHealthcare Medicare Advantage PPO Standard
- UnitedHealthcare Medicare Advantage PPO Premium



Medicare Advantage PPO Plans

- MA PPO Standard and Premium plans include your prescription drug coverage – do not enroll in a separate Part D Plan
- If you enroll in an individual MA PPO Plan after enrollment with SHBP, you will lose your SHBP coverage
- Once enrolled in the SHBP MA PPO you must continue to pay the Medicare Part B premium
- Providers must accept Medicare or services will not be covered
- Covered services, co-payments and/or coinsurance will be the same whether the provider is in-network or out-of-network



Medicare Advantage PPO Plans

Standard-Premium

Benefit	Standard Option	Premium Option
Primary Care Physician	\$20 Co-payment	\$10 Co-payment
Specialist Office Visit	\$25 Co-payment	\$20 Co-payment
Inpatient Hospital	\$190 per day 1-6 and \$0 starting with day 7	\$100 per day days 1-5 and \$0 starting with day 6
Ambulance	\$0	\$0

Medicare Advantage PPO Plans

Pharmacy-Retail

Retail (30 days supply)	Standard Option	Premium Option
Tier 1- Preferred Generic	\$10	\$10
Tier 2- Generic	\$10	\$10
Tier 3- Non-Preferred Generic/Preferred Brand	\$40	\$30
Tier 4- Non Preferred Brand	\$80	\$60
Tier 5- Specialty	\$80	\$60
Doughnut Hole	\$10/\$40/\$80/\$80	\$10/\$30/\$60/\$60

What if everyone in the family is not age 65 or over?

Family members age 65 or over will be enrolled in the MA PPO option and those under age 65 will be in the current option with the same vendor as the retiree.

Example: The retiree is over age 65 and the spouse is under age 65. The retiree selects one of the MA PPO options. Then enrolls the spouse in either the HRA, HDHP or HMO with the same vendor as his/her MA PPO. We call this a split option. The tobacco and spousal surcharges do not apply to split option plans.



What if I decide to return to One of the Non MA PPO Options?

- Medicare will return you to the Traditional Medicare Part A and B
- You may want to enroll in an individual Medicare Part D Prescription Drug Plan
- You will pay the entire cost of the SHBP coverage
- SHBP will pay secondary benefits



Reminders

- Medicare Advantage enrollment is optional for disabled retirees under age 65
- Enrollment in the MA PPO plan must be approved by CMS
- Pre 65 retirees may enroll in the HRA, HDHP or HMO and will pay the same rate as active employees
- Surcharges apply to all options except the MA PPO Options, split options or the unsubsidized options



Reminders

- Must have at least Medicare Part B in order to enroll in one of the SHBP MA PPO Options
- You must submit proof of your Medicare A and/or B to SHBP as soon as you receive your cards
- You can apply for Medicare up to 3 months prior to your 65th birthday if you are retired at the time you or your spouse reach age 65
- You will pay the higher rate beginning the month you or you spouse turn 65 until SHBP receives proof of Medicare Part B enrollment

Premiums will not be refunded if you fail to submit your Medicare information timely

Reminders

- You can apply for Medicare 2 months prior to retiring if you work past age 65
- SHBP will remain your primary insurance carrier until you retire
- Retirees over 65 may enroll in the HRA ,HDHP or HMO but will pay the full cost of the premiums

Note: The Prescription Drug coverage under the HDHP is not considered creditable. Delaying Medicare Part D enrollment, even if you are actively employed may result in a late enrollment penalty

Reminders

- Use your preventive care benefits
 - Most SHBP members never use this benefit
 - Covered under all plan options
- Check the Pharmacy Drug List before selecting your vendor/option
 - Lists vary between vendors as well as between options



If You Need Information or Have Questions

If you have questions about eligibility,
you may contact us at:

- 404-656-6322
- 800-610-1863



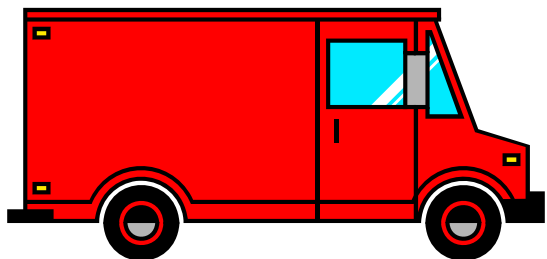
Notify SHBP if your address changes. The information must be in writing and include the member's Social Security number. The retirement system does not notify us if your address changes. Request should be mailed to:

SHBP

P.O. Box 1990

Atlanta, GA 30301-1990

Secure Fax Line: (888-828-4796)



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Information Available on the SHBP web site

www.dch.georgia.gov/shbp

- Health Plan Decision Guides
- SHBP Forms, Pharmacy Information
- Rates
- The latest SHBP News
- Health and Wellness Information
- Summary Plan Descriptions
- Revised Instructions for Removing the Tobacco Surcharge
- Links to Cigna and UnitedHealthcare

Never Forget!

*Coverage must be continuous
from active into retirement!!!*

You cannot re-enroll!



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